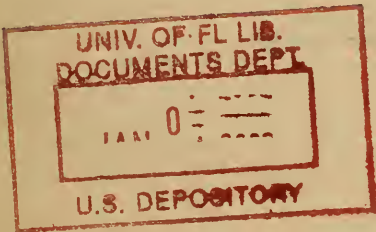


NATIONAL RECOVERY ADMINISTRATION

AMENDMENT TO
CODE OF FAIR COMPETITION
FOR THE
STEEL CASTING INDUSTRY

AS APPROVED ON AUGUST 11, 1934



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON: 1934

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Approved Code No. 82—Amendment No. 1

AMENDMENT TO CODE OF FAIR COMPETITION

FOR THE

STEEL CASTING INDUSTRY

As Approved on August 11, 1934

ORDER

APPROVING AMENDMENT OF CODE OF FAIR COMPETITION FOR THE STEEL CASTING INDUSTRY

An application having been duly made pursuant to and in full compliance with the provisions of Title I of the National Industrial Recovery Act, approved June 16, 1933, for approval of an amendment to a Code of Fair Competition for the Steel Casting Industry, and hearings having been duly held thereon and the annexed report on said amendment containing findings with respect thereto, having been made and directed to the President:

NOW, THEREFORE, on behalf of the President of the United States, I, Hugh S. Johnson, Administrator for Industrial Recovery, pursuant to authority vested in me by Executive Orders of the President, including Executive Order 6543-A, dated December 30, 1933, and otherwise, do hereby incorporate by reference, said annexed report and do find that said amendment and the Code as constituted after being amended comply in all respects with the pertinent provisions and will promote the policy and purposes of said Title of said Act, and do hereby order that said amendment be and it is hereby approved, and that the previous approval of said Code is hereby modified to include an approval of said Code in its entirety as amended, such approval and such amendment to take effect fifteen (15) days from the date hereof, unless good cause to the contrary is shown to the Administrator before that time and the Administrator issues a subsequent order to that effect.

HUGH S. JOHNSON,
Administrator for Industrial Recovery.

Approval recommended:

BARTON W. MURRAY,
Division Administrator.

WASHINGTON, D.C.
August 11, 1934.

REPORT TO THE PRESIDENT

The PRESIDENT,
The White House.

SIR: This is a report on Amendments to the Code of Fair Competition for the Steel Casting Industry, the public hearing having been conducted thereon in Washington, D.C., on June 14, 1934, in accordance with the provisions of the National Industrial Recovery Act.

Amendment I affects only Schedule D of the Code which relates only to Unfair Trade Practices for Miscellaneous Castings.

Amendment II affects only Schedule E of the Code which relates only to Unfair Trade Practices for Specialties.

Amendment III provides for the addition of a new Schedule of Unfair Trade Practices relating only to Draft Gears, to be known as Schedule F.

FINDINGS

The Assistant Deputy Administrator in his final report to me on said amendments to said Code having found as herein set forth and on the basis of all the proceedings in this matter:

I find that:

(a) The amendments to said Code and the Code as amended are well designed to promote the policies and purposes of Title I of the National Industrial Recovery Act including the removal of obstructions to the free flow of interstate and foreign commerce which tend to diminish the amount thereof, and will provide for the general welfare by organization of industry for the purpose of cooperative action of labor and management under adequate governmental sanction and supervision, by eliminating unfair competitive practices, by promoting the fullest possible utilization of the present productive capacity of industries, by avoiding undue restriction of production (except as may be temporarily required), by increasing the consumption of industrial and agricultural products through increasing purchasing power, by reducing and relieving unemployment, by improving standards of labor, and by otherwise rehabilitating industry.

(b) The Code as amended complies in all respects with the pertinent provisions of said Title of said Act, including without limitation sub-section (a) of Section 3, sub-section (a) of Section 7 and sub-section (b) of Section 10 thereof.

(c) The amendments and the Code as amended are not designed to and will not permit monopolies or monopolistic practices.

(d) The amendments and the Code as amended are not designed to and will not eliminate or oppress small enterprises and will not operate to discriminate against them.

(e) Those engaged in other steps of the economic process have not been deprived of the right to be heard prior to approval of said amendments.

For these reasons, therefore, I have approved these amendments, provided that such approval and such amendments take effect fifteen (15) days from the date hereof, unless good cause to the contrary is shown before that time, and I issue a subsequent order to that effect.

Respectfully,

HUGH S. JOHNSON,
Administrator.

AUGUST 11, 1934.

AMENDMENT TO CODE OF FAIR COMPETITION FOR THE STEEL CASTING INDUSTRY

AMENDMENT I

Delete Sections 6 and 7 of Schedule D of said Code and substitute in lieu thereof the following:

“SECTION 6. Date a sales invoice later than the date of mailing of such invoice or later than the third day following date of shipment of the castings included in such invoice.”

“SECTION 7. Allow terms of payment more favorable to the customer than net payment within 30 days after the month in which the castings are shipped, subject to discounts for prompt payment as follows: In the case of castings shipped by water from the plant of a member of the Industry from or through any Atlantic Coast or Gulf Port to any Pacific Coast Port, or through a Pacific Coast Port to a place of delivery in the State of California or the State of Oregon or the State of Washington, or to a place of delivery in the Canal Zone or to an Alaskan Port, or to any of the Insular Possessions of the United States, the maximum rates of discount for early payment shall be $\frac{1}{2}$ of 1% of the invoiced value of such castings, if the invoice of such castings shall be paid within 30 days from the date of such invoice; in all other cases, $\frac{1}{2}$ of 1% on such invoiced value, if the invoice of such castings shall be paid within 10 days from the date of such invoice; provided, however, in the latter cases that any member of the Industry may allow such discount of $\frac{1}{2}$ of 1% for payment within 10 days on the basis of settlements twice in each month, as follows: (a) On invoices dated from the 1st to the 15th, inclusive, of any month, such discount may be allowed on payment of such invoices on or before the 25th of such month; (b) On invoices dated from the 16th to the end of any month, such discount may be allowed on payment of such invoices on or before the 10th of the next following month.

“Nothing in this Section however, shall be deemed to apply to any sale or contract for the sale of any castings to the Government of the United States of America or to any agency thereof in any case in which such Government or Agency shall, pursuant to law, impose terms of payment other than those prescribed in this Section; provided, however, that in any such case none of the members of the Industry shall allow to such Government or any Agency thereof terms of payment more favorable than those which shall be prescribed by such Government or Agency pursuant to law”.

AMENDMENT II

Delete Section I of Schedule E of said Code and substitute the following:

“SECTION 1. To make terms of payment in connection with sale for domestic use more favorable to the customer than thirty (30)

days net cash from date of invoice; provided, however, that discounts for prompt payment of invoices on cast steel wheels may be allowed at not to exceed the following rates: In the case of castings shipped by water from the plant of a member of the Industry from or through any Atlantic Coast or Gulf Port to any Pacific Coast Port, or through a Pacific Coast Port to a place of delivery in the State of California or the State of Oregon or the State of Washington, or to a place of delivery in the Canal Zone or to an Alaskan Port, or to any of the Insular Possessions of the United States, the maximum rates of discount for early payment shall be $\frac{1}{2}$ of 1% of the invoiced value of such castings, if the invoice of such castings shall be paid within 30 days from the date of such invoice; in all other cases, $\frac{1}{2}$ of 1% on such invoiced value, if the invoice of such castings shall be paid within 10 days from the date of such invoice; provided, however, in the latter cases that any member of the Industry may allow such discount of $\frac{1}{2}$ of 1% for payment within 10 days on the basis of settlements twice in each month, as follows: (a) On invoices dated from the 1st to the 15th, inclusive, of any month, such discount may be allowed on payment of such invoices on or before the 25th of such month; (b) On invoices dated from the 16th to the end of any month, such discount may be allowed on payment of such invoices on or before the 10th of the next following month.

“Nothing in this Section, however, shall be deemed to apply to any sale or contract for the sale of any castings to the Government of the United States of America or to any agency thereof in any case in which such Government or Agency shall, pursuant to law, impose terms of payment other than those prescribed in this Section; provided, however, that in any such case none of the members of the Industry shall allow to such Government or any Agency thereof terms of payment more favorable than those which shall be prescribed by such Government or Agency pursuant to law.”

AMENDMENT III

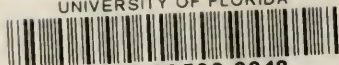
Add the following new Schedule to said Code, which will be known as Schedule F:

“List of Unfair Trade Practices Relating to Draft Gears.—Without in any way limiting the application of Schedule E to all manufacturers of Draft Gears, Schedule F relates solely to the production and/or sale of Draft Gears and has no application to Miscellaneous Castings, Manganese Steel Castings, or to any other Specialties.

“For all purposes of this Code, it shall be an unfair trade practice for any member engaged in the Draft Gear subdivision of the Specialties branch of the Industry to do any of the following acts:

“1. To pay secretly or allow rebates, refunds, credits, or unearned discounts, or commissions to customers or their employees, whether in the form of money or otherwise, or to extend services or privileges to any purchaser not extended to all purchasers upon like terms and conditions.

“2. To sell, in connection with draft gear sales, equipment not part of the equipment covered by this product ‘Classification or sub-



agency', to any customer, directly or indirectly, at a net price which will result in a reduction in the price of draft gears sold to such customer.

"3. To misappropriate a competitor's business by inducing breach of contracts, espionage, piracy of styles or designs or imitation of trade names.

"4. To defame competitors or to disparage competitors' products falsely.

"5. To give any gratuity, reward or other form of bribe to purchasers of draft gears, or the use of premiums in ways which involve commercial bribery in any form.

"6. To guarantee any draft gears, or part thereof, against defective material or workmanship for any period exceeding one year from the date of delivery thereof to the purchaser.

"7. To use the traffic of any person, firm or corporation other than the traffic of the member of the Industry or permit the use of same, in any way to influence draft gear orders from any railroad for any such member."

Approved Code No. 82—Amendment No. 1.
Registry No. 1106-1-01.

